



September 17, 2019

Item No. 8

AUTHORIZATION TO EXTEND AND TO PROVIDE ADDITIONAL COMPENSATION FOR THE SERVICE AGREEMENT BETWEEN THE CHICAGO HOUSING AUTHORITY AND THE GORDIAN GROUP TO MANAGE SECTION 3 JOB ORDER CONTRACTING (JOC) MENTORING PROGRAM, THROUGH CHA'S PARTICIPATION IN THE NEW YORK CITY HOUSING AUTHORITY'S AGREEMENT WITH THE GORDIAN GROUP

Presenters: Eric Garrett, Chief Property Officer
 Leonard Langston, Deputy Chief Property Officer

RECOMMENDATION

The Chief Executive Officer recommends that the Board of Commissioners ("Board") of the Chicago Housing Authority ("CHA") authorize the Chief Executive Officer (CEO) or his designee to extend the Service Agreement between the CHA and The Gordian Group for one year, through September 28, 2020, through CHA's participation in the New York City Housing Authority's ("NYCHA") contract with The Gordian Group, and further recommends that the Board authorize additional compensation for The Gordian Group in an amount not-to-exceed \$2,060,000 for the extension term.

The requested action in this item complies in all material respects with all applicable Federal, State, and Local laws, and Chicago Housing Authority Board policies. Staff have completed all necessary due diligence to support the submission of this initiative.

FUNDING:

Property Office Budget

BACKGROUND

The scope of services of the competitively procured NYCHA agreement substantially fulfills CHA's need to develop a Job Order Contracting program for Section 3 Business interests. As a result, in March of 2016, the CHA obtained Board approval to reference NYCHA's contract with The Gordian Group. The scope of services includes: working to develop the program; providing customized documents; developing a unit price book and technical specifications; support during procurement of the construction contracts; providing an internet-based database; initial and ongoing training; and post-implementation program administration and facilitation support.

When CHA initially contracted with The Gordian Group to facilitate the Section 3 JOC program the goal was to execute \$30,000,000 of construction task orders over the 2 ½ year base contract period. The CHA obtained additional Board approval to amend the Service Agreement with the Gordian Group to increase The Gordian Group's compensation for the 2 ½ year base contract

period, plus the option year available under the Contract, to the current contract value of \$10,240,000. The plan is to continue to support the program over the next year to meet the needs of the CHA. The requested not-to-exceed compensation amount of \$2,060,000 for the extension term is intended to facilitate an additional projected job order value of up to \$40,000,000 through September 2020.

Respectfully Submitted:

Eric Garrett
Chief Property Officer

RESOLUTION NO. 2019-CHA-

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated September 17, 2019 entitled: AUTHORIZATION TO EXTEND AND TO PROVIDE ADDITIONAL COMPENSATION FOR THE SERVICE AGREEMENT BETWEEN THE CHICAGO HOUSING AUTHORITY (CHA) AND THE GORDIAN GROUP TO MANAGE SECTION 3 JOB ORDER CONTRACTING (JOC) MENTORING PROGRAM, THROUGH CHA'S PARTICIPATION IN THE NEW YORK CITY HOUSING AUTHORITY'S AGREEMENT WITH THE GORDIAN GROUP

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners (Board) of the Chicago Housing Authority (CHA) authorizes the Chief Executive Officer or his designee to extend the Service Agreement between the CHA and The Gordian Group to continue to manage and grow the Section 3 Job Order Contracting (JOC) Mentoring Program for the one (1) year period from September 29, 2019 through September 28, 2020, through CHA's participation in the New York City Housing Authority's agreement with The Gordian Group, and further authorizes additional compensation for The Gordian Group in an amount not-to-exceed \$2,060,000 for the extension term.

This contract amendment is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE/ Section 3 hiring and insurance requirements.

James Bebley
Acting Chief Executive Officer
Chicago Housing Authority